

TABLE 1 - Cumulative results from accounting firm survey results by time period.

| Purchase price as a multiple of gross revenue | PAST MERGERS* | CURRENT MERGERS** |
|--|----------------------|--------------------------|
| more than 200% | 0% | 3% |
| 176-200% | 4% | 0% |
| 151-175% | 0% | 0% |
| 126-150% | 4% | 6% |
| 101-125% | 18% | 23% |
| 100% | 50% | 29% |
| 75-99% | 14% | 23% |
| less than 75% | 11% | 13% |
| Cash paid at closing as a percentage of purchase price | | |
| None | 69% | 66% |
| 1 - 10% | 14% | 3% |
| 11 - 15% | 0% | 3% |
| 16 - 20% | 14% | 9% |
| 21 - 25% | 0% | 6% |
| 26 - 30% | 0% | 6% |
| More than 30% | 3% | 6% |
| Length of client retention that can effect purchase price | | |
| Less than 1 year | 10% | 17% |
| 1 year | 10% | 27% |
| 2 years | 10% | 7% |
| 3 years | 21% | 20% |
| More than 3 years | 48% | 30% |
| Duration of payout period | | |
| 1 year | 7% | 0% |
| 2 years | 0% | 0% |
| 3 years | 10% | 7% |
| 4 years | 7% | 7% |
| 5 years | 45% | 33% |
| 6 - 8 years | 7% | 20% |
| 9 - 10 years | 17% | 23% |
| 11 - 12 years | 0% | 0% |
| 13 - 15 years | 0% | 7% |
| Over 15 years | 7% | 3% |
| Principal reason for the loss of clients | | |
| Successor firm did not want them | 11% | 9% |
| Fees | 46% | 26% |
| Cultural issues | 18% | 9% |
| Change in location of offices | 4% | 9% |
| Loss of or change in duties of key personnel | 7% | 13% |

| | | |
|---|------------|------------|
| Other | 14% | 30% |
| Effect of merger on the acquired firms offices | | |
| Remained open after the affiliation | 24% | 53% |
| Some remained open while others were moved into office space of the acquiring firm | 10% | 0% |
| Closed to move into office space of the acquiring firm | 66% | 47% |

| | | |
|--|------------|------------|
| Cummulative average percentage of the acquired firms partners who: | | |
| Received equity in successor firm | 43% | 51% |
| Anticipate staying on full-time for more than 5 years without receiving | 42% | 26% |
| Staying on to perform transition tasks or only on a part time basis | 28% | 47% |

* Past mergers includes mergers occurring between January 1, 2000 - December 31, 2006

** Current mergers includes mergers occurring between period of January 1, 2007 - March 31, 2008

